Payment Application Modernization (PAM)
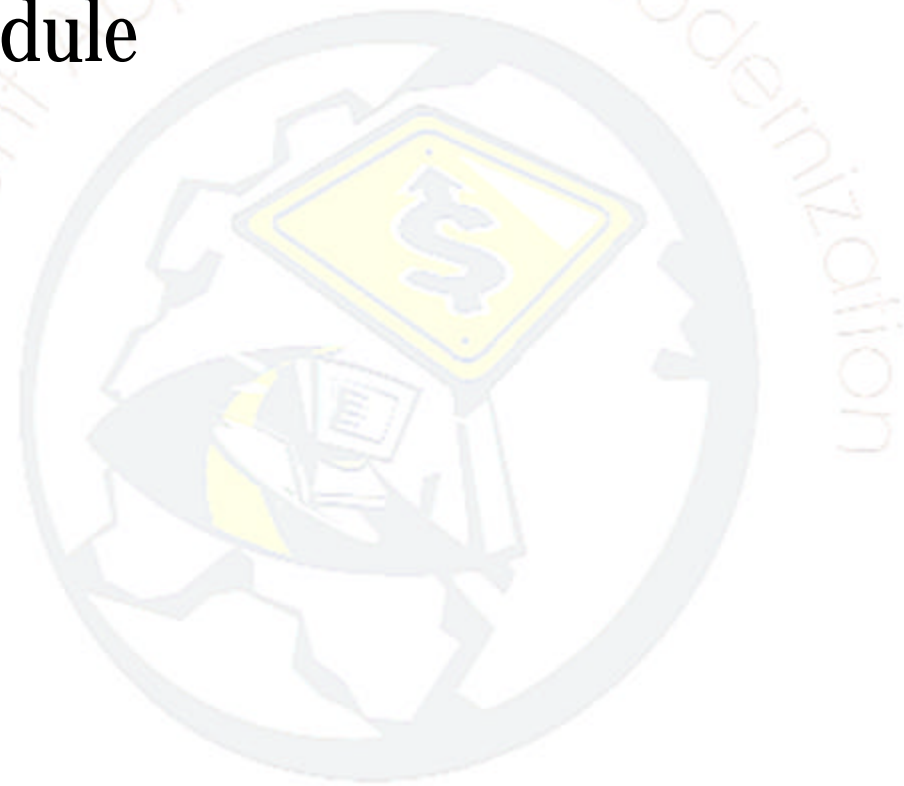
Kansas City Regional Financial Center
Customer Advisory Board

Kansas City, Missouri

December 5, 2007

Today's Objectives

- PAM Project Recap and Milestones
- Production Release Schedule
- PAM File Formats
- PAM Support of GWA
- PAM Process Flow
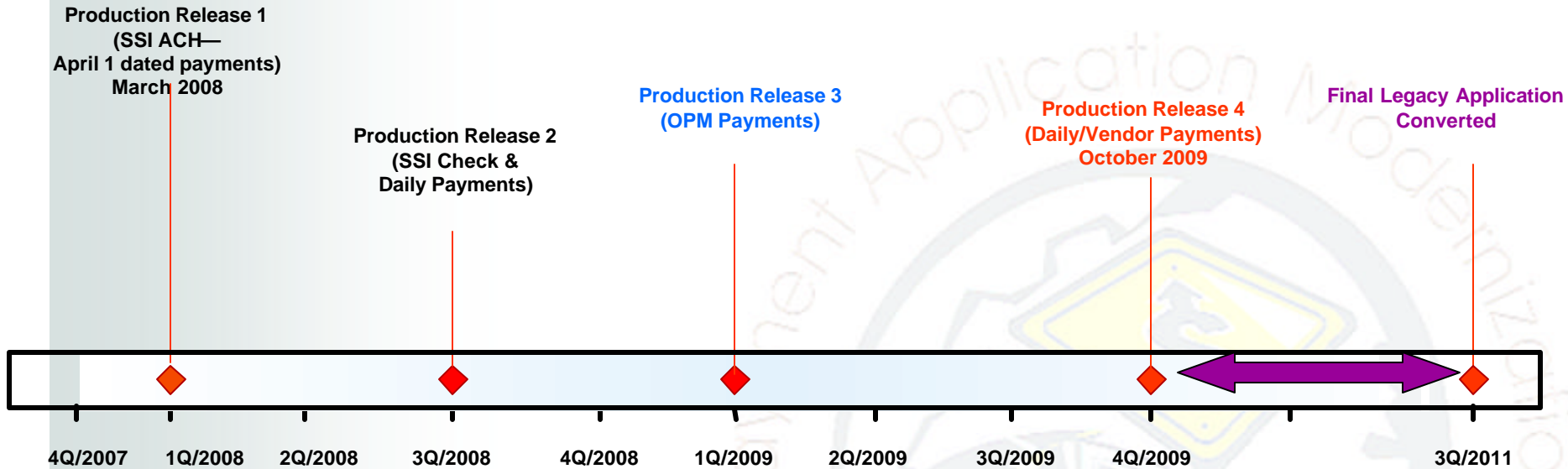- Agency's View of PAM
- PAM vs Legacy
- PAM Support

PAM Project Recap

- Develop and deploy a standardized application, Payment Automation Manager, employing new technologies

- Replace 30+ applications currently used to process payment requests

- *Payments made through the system are done right the first time: on time, every time*

PAM Milestones

- January 2006 – Development began

- April 2007 – Construction began

- August 2007 – QA/UA testing began

- October 2007 – C&A Kickoff

- December 2007 – Agency testing begins

- March 2008 – First Production Release

PAM Production Releases 1-4:

**Production Release 1
(SSI ACH—
April 1 dated payments)
March 2008**

**Production Release 3
(OPM Payments)**

**Final Legacy Application
Converted**

**Production Release 2
(SSI Check &
Daily Payments)**

**Production Release 4
(Daily/Vendor Payments)
October 2009**

4Q/2007　1Q/2008　2Q/2008　3Q/2008　4Q/2008　1Q/2009　2Q/2009　3Q/2009　4Q/2009　　　　　3Q/2011

Production Release 2 includes interface with COMBO & TCIS

Production Release 3 includes interface with TOP & TCS

**Production Release 4 includes interface with SPS (certifications bearing TAS/BETC information)
& includes requirements for all payment types**

The remaining releases of PAM will focus attention on implementing the outstanding

**Payment Types/File Formats (e.g., VA, tax, etc), as most of the functionality for the system
will have been implemented as part of the first four releases**

Production Release 1

- Implementation March 17, 2008 for April 1, 2008 SSI ACH payments
  - Kansas City Regional Financial Center will support the payments
  - 51.2 Million Payments Annually

- Two interfaces
  - PACER & FedACH

- Minimal User Interface (UI) for RFCs

- Will not include holds, offsets, partial payments, TCS, or TCIS

Future Production Releases

- Release 2
  - SSI Check & Daily Payments
  - 38.1 Million Payments Annually
  - Interface with COMBO & TCIS
  - Auto-match with SPS Certification
- Release 3
  - OPM Payments
  - 30.4 Million Payments Annually
  - Includes interface with TOP & TCS

Future Production Releases

- Release 4
  - Daily/Vendor Payments
  - 164 Million Payments Annually
  - Includes interface with SPS (certifications bearing TAS/BETC information) and IPP
  - Includes requirements for all payment types
- Releases 5 – 11
  - Transition remaining Legacy payments to PAM
  - 688.3 Million Payments Annually
  - Approximate two year transition

PAM File Formats

- PAM payment format will be ready for the October 2009 implementation

- PAM is expecting to only receive data elements that are necessary to make the actual payments and report to accounting systems downstream

PAM File Formats

- Within one file, a schedule can only include one type of payment

- Multiple schedules can be received in one file but only for ACH or check within a single file

- Each schedule can have a different type of payment

PAM File Formats

- There will be one common record that will accommodate every type of payment

- For those types of payments with unique information necessary to issue the payment, a secondary record that includes that information will be provided

PAM File Formats

- PAM format will need a schedule number to be provided in the file for ease in matching to the certifications received

- 100 appropriations records will be allowed for each payment being received
  - This meets the GWA Requirement

Payment Processing with GWA TAS-BETC (available 2009 in SPS for GWA Player ALCs in SAM)

SAM
- SAM provides ALCs with GWA Player identified;
- SAM provides TAS-BETCs
- SAM validates information from Cafe

SAM provides valid TAS-BETCs
FPA create users and rules

FPA GWA Player ALC
Per SAM

1-100 TAS-BETC amount(s) per Schedule,
1-100 TAS-BETC amount(s) per Payment,
And 1-60 payment(s) per Schedule
Total TAS-BETC amounts for Payments must =
Total TAS-BETC amounts at Schedule Level
(Type A=Regular Check, Manual Check, ACH, Same Day Pay)
(Type B=Summary which only has summary schedule info in SPS,

Bulk Payment File
sent to PAM
Includes TAS-BETC
For payments

ALC indicating
GWA Player ALC;
Valid TAS-BETC

Reported
TAS-BETC
And
Classified
TAS-BETC

Reported
TAS-BETC

SPS
- SPS validates TAS-BETC and amounts before Schedule can be Certified

All certified schedules
(Includes TAS-BETC
At Schedule Level)

PAM
- PAM matches Certified Summary Schedule to bulk payment file detail.
- processes all payment
- sends information for each schedule to PACER

TDO Support Listing

TDO Payment data

Payment info
(includes TAS-BETC)

Same Day Payments

Café (GWA)

Payment Info
(includes TAS-BETC
At Document Level)

PACER
- PACER uses TAS-BETC information when processing aftermath transactions — holds, returns, cancellations.
- calculates debits/credits to FPA at TAS-BETC level based on PAM information.
- sends information to GWA at document level for **PAYMENTS** and **AFTERMATH**.

BCS

Bulk TDO
P224 data

TDO P224
data

Monthly GOALS II
RFC Agency
Link File
And
Payment 224 data

P224

STAR

Legend:
BCS – Bank Control System
Café – GWA front end
FPA – Federal Program Agency
GOALS – Government On-Line Accounting Link II System
GWA – Government-wide Accounting
P224- Partial 224
PACER – Payments, Claims and Enhanced Reconciliaiton
PAM – Payment Automation Manager

SAM – Shared Accounting Module
SDP – Same Day Payment
SPS – Secure Payment System
STAR – FMS Central Accounting System
TDO Support Listing – Treasury Disbursing Office Support Listing
Type A – Payment and Schedule level in SPS
Type B – Summary Schedule Level in SPS matched to payment level in PAM

PAM Support of GWA

- PACER
  - Will calculate accounting entries for aftermath transactions based on Treasury Account Symbol (TAS) / Business Event Type Code (BETC) information provided by PAM
  - Will provide schedule level/document level TAS/BETC information to Café/GWA
  - For benefit agencies PAM will derive TAS/BETC and send to PACER

- TAS/BETC
  - PAM will not validate, rather just pass them along to GWA
  - Same Day Payment Schedules will need TAS/BETC

- 3rd Party 440 format and DEO upload into on-line SPS

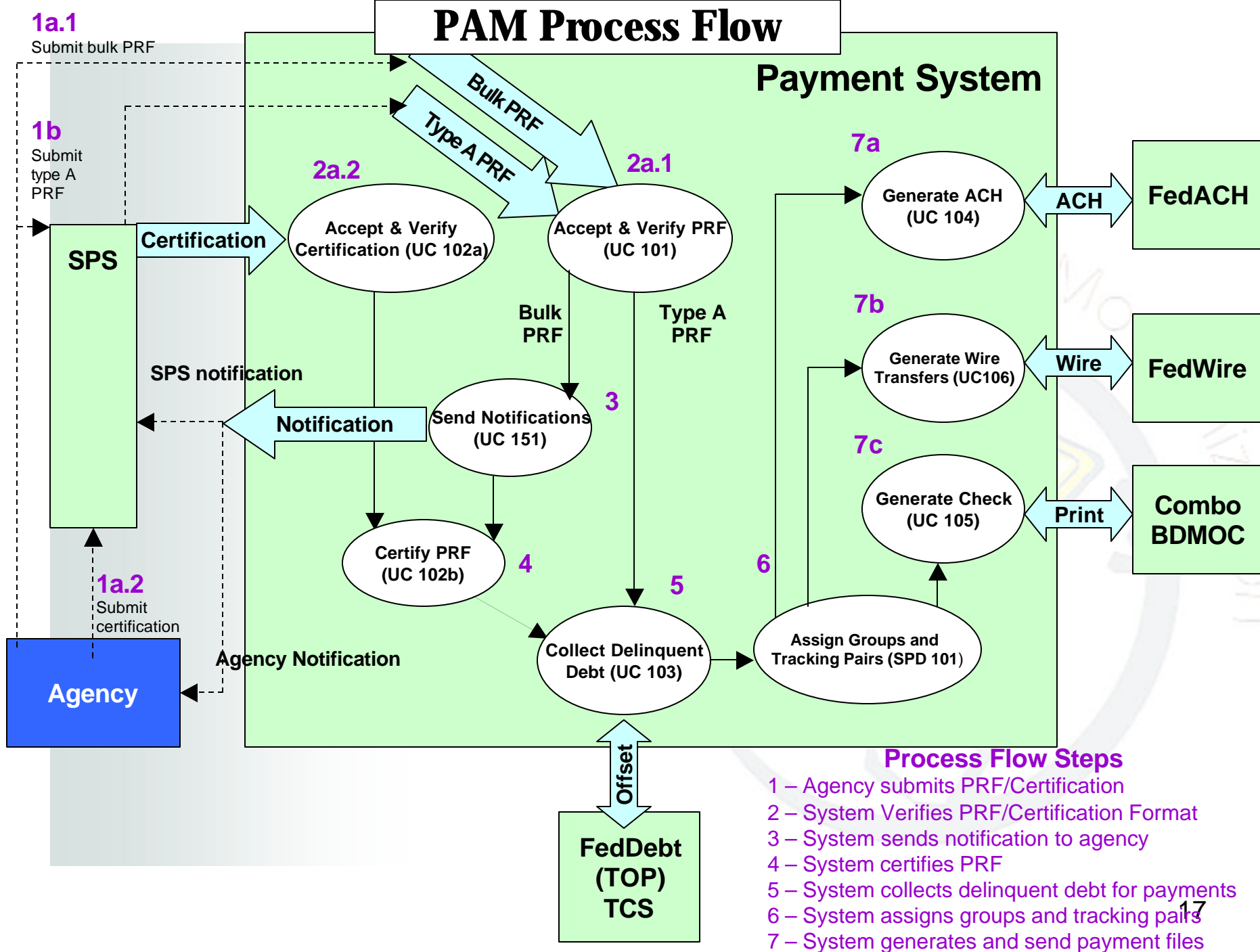- Certified amounts at schedule level are official Agency Accounting entries

PAM Process Flow
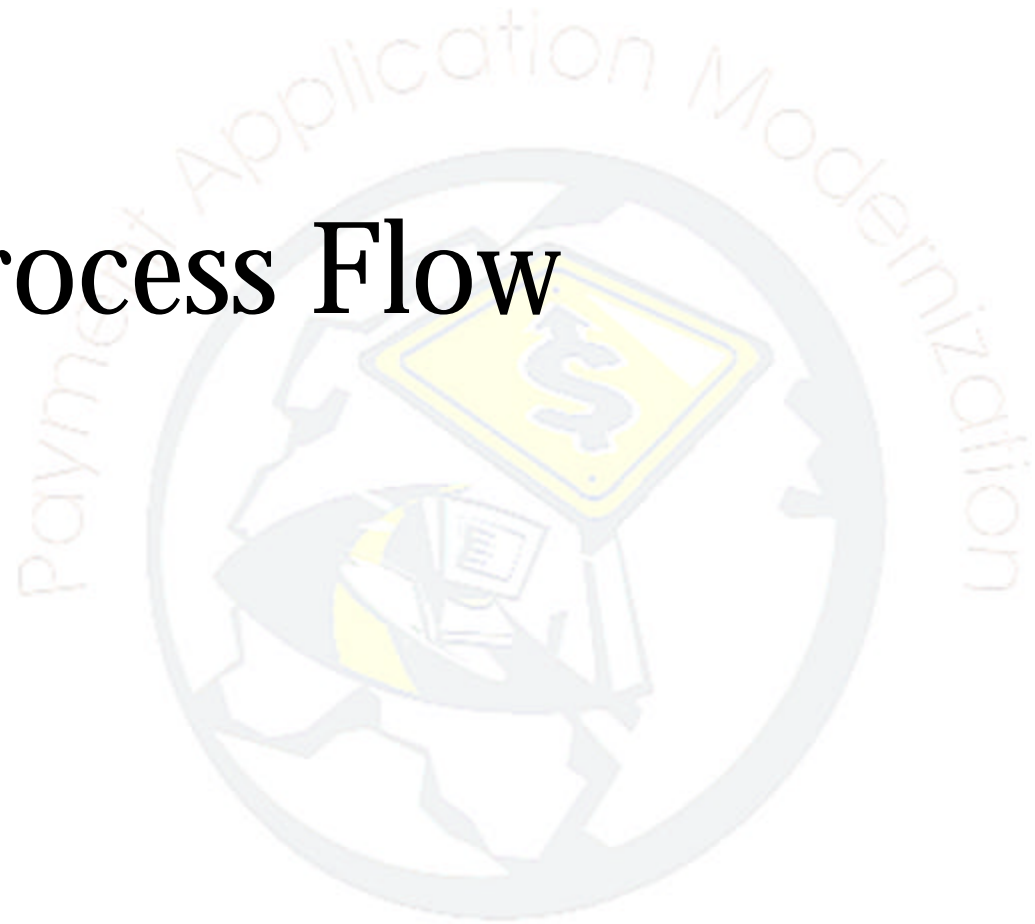
PAM Process Flow

- Changes occurring to the process flow:
  - Validation report will replace pre-edit report
  - 100% of edits completed by upfront processing

- Process flow will still start with an agency submitting their Payment Request File (PRF) or SPS Certification
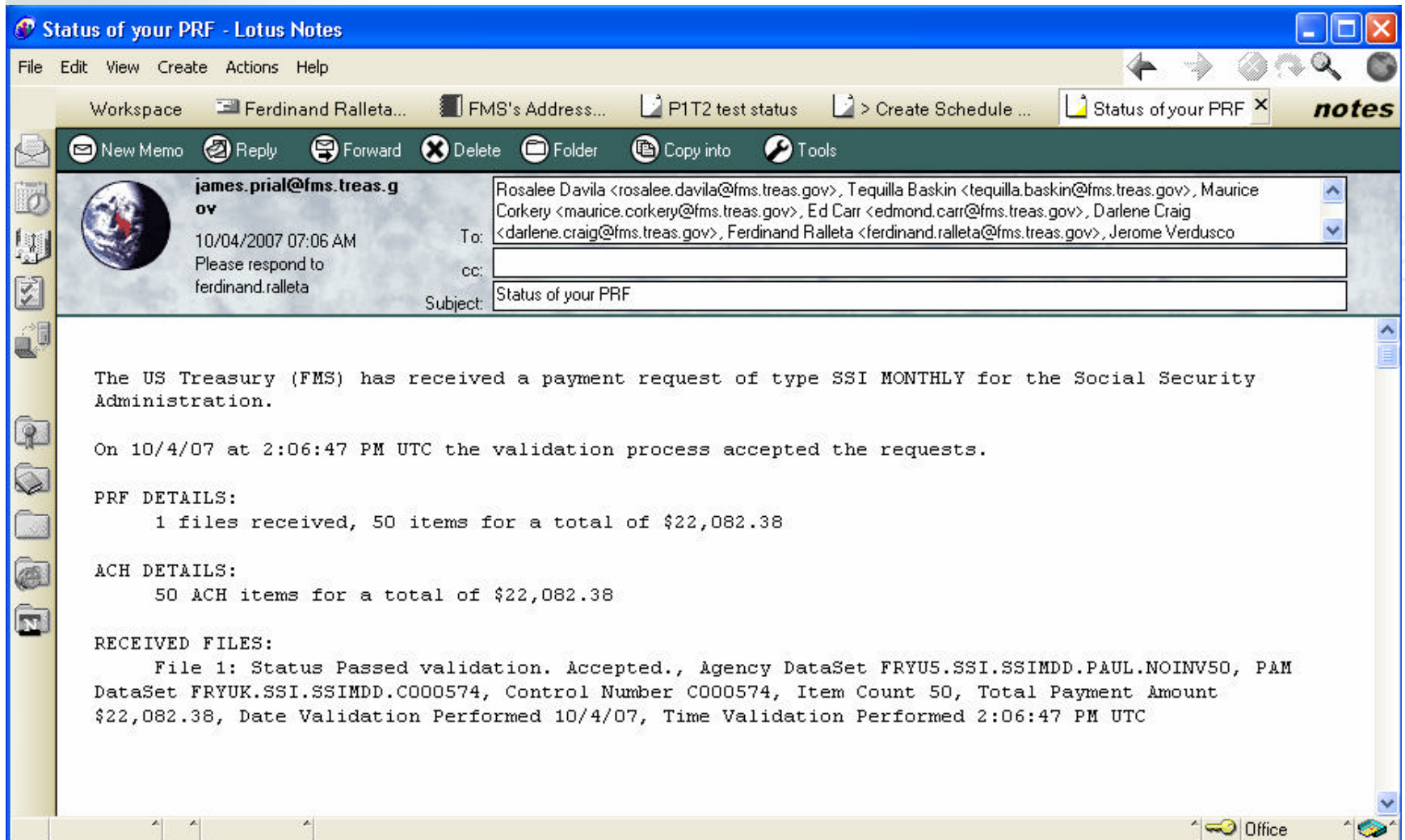
PAM Process Flow

Payment System

1a.1
Submit bulk PRF

1b
Submit type A PRF

1a.2
Submit certification

SPS

Agency

Certification

Bulk PRF

Type A PRF

2a.2
Accept & Verify Certification (UC 102a)

2a.1
Accept & Verify PRF (UC 101)

7a
Generate ACH (UC 104)

ACH

FedACH

Bulk PRF

Type A PRF

7b
Generate Wire Transfers (UC106)

Wire

FedWire

SPS notification

Notification

Send Notifications (UC 151)

3

7c
Generate Check (UC 105)

Print

Combo BDMOC

Certify PRF (UC 102b)

4

5

6

Agency Notification

Collect Delinquent Debt (UC 103)

Assign Groups and Tracking Pairs (SPD 101)

Offset

FedDebt (TOP) TCS

Process Flow Steps
1 – Agency submits PRF/Certification
2 – System Verifies PRF/Certification Format
3 – System sends notification to agency
4 – System certifies PRF
5 – System collects delinquent debt for payments
6 – System assigns groups and tracking pairs
7 – System generates and send payment files

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Agency's view of PAM

- PAM will provide the status of your PRF via email, fax or Connect:Direct file transmission

- Email will include verification of:
  - Type of payment request
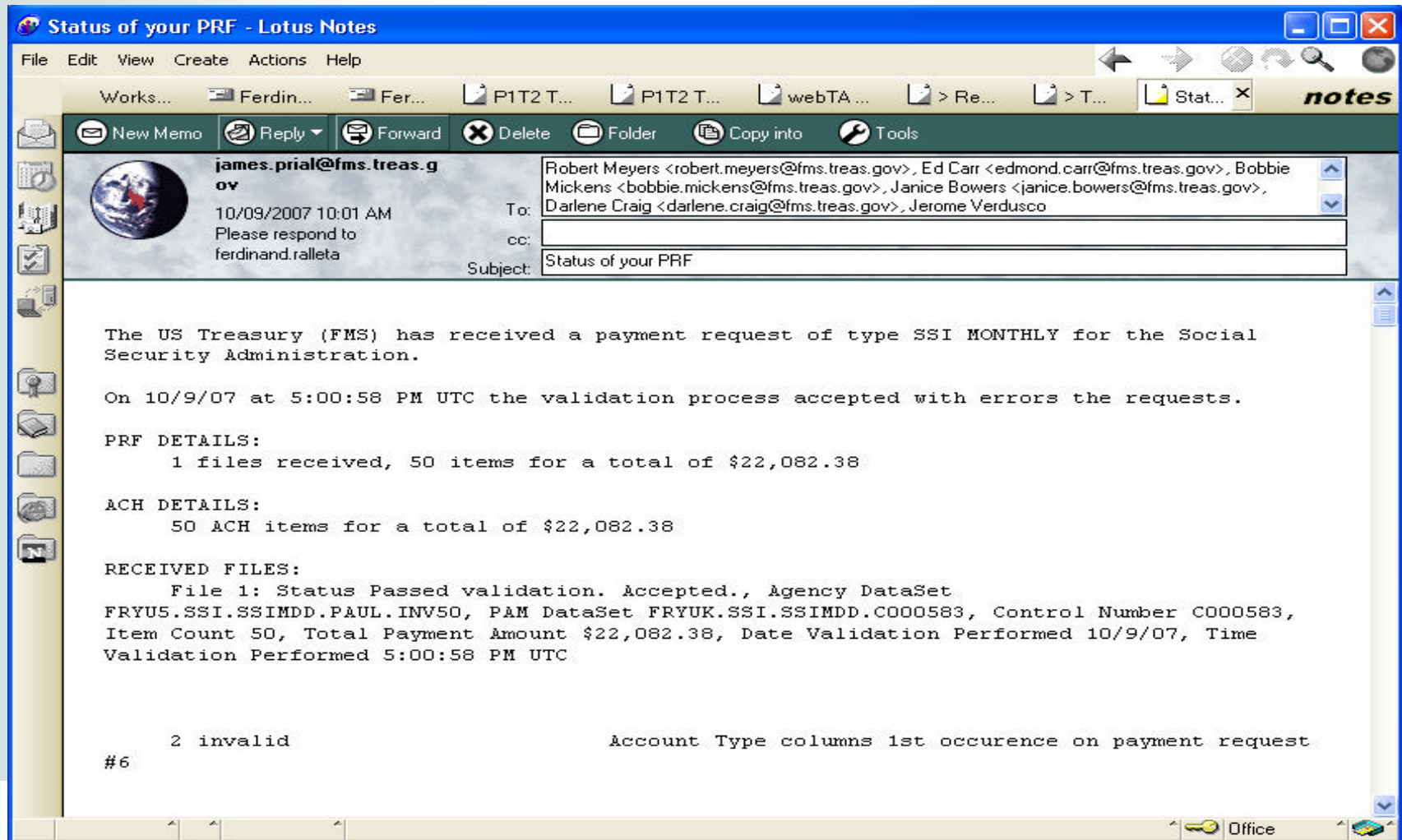 - Date and time the request was accepted

Agency's view of PAM

- Email will also detail:
  - PRF: files, items and total amount received
  - ACH: items and total amount received

- Received file status will also be provided including:
  - Control Number
  - Date and Time Validation were performed

Email notification for a file containing no invalid records that was successfully validated

Status of your PRF - Lotus Notes

File   Edit   View   Create   Actions   Help

Workspace   Ferdinand Ralleta...   FMS's Address...   P1T2 test status   > Create Schedule ...   Status of your PRF   *notes*

New Memo   Reply   Forward   Delete   Folder   Copy into   Tools

james.prial@fms.treas.gov

10/04/2007 07:06 AM
Please respond to
ferdinand.ralleta

To: Rosalee Davila <rosalee.davila@fms.treas.gov>, Tequilla Baskin <tequilla.baskin@fms.treas.gov>, Maurice Corkery <maurice.corkery@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Darlene Craig <darlene.craig@fms.treas.gov>, Ferdinand Ralleta <ferdinand.ralleta@fms.treas.gov>, Jerome Verdusco

cc:

Subject: Status of your PRF

The US Treasury (FMS) has received a payment request of type SSI MONTHLY for the Social Security Administration.

On 10/4/07 at 2:06:47 PM UTC the validation process accepted the requests.

PRF DETAILS:
    1 files received, 50 items for a total of $22,082.38

ACH DETAILS:
    50 ACH items for a total of $22,082.38

RECEIVED FILES:
    File 1: Status Passed validation. Accepted., Agency DataSet FRYU5.SSI.SSIMDD.PAUL.NOINV50, PAM DataSet FRYUK.SSI.SSIMDD.C000574, Control Number C000574, Item Count 50, Total Payment Amount $22,082.38, Date Validation Performed 10/4/07, Time Validation Performed 2:06:47 PM UTC

Office

Email notification for a file containing two invalid records that was successfully validated

Status of your PRF - Lotus Notes

File   Edit   View   Create   Actions   Help

Works...   Ferdin...   Fer...   P1T2 T...   P1T2 T...   webTA ...   > Re...   > T...   Stat... ✕   *notes*

New Memo   Reply ▼   Forward   ✕ Delete   Folder   Copy into   Tools

james.prial@fms.treas.gov
10/09/2007 10:01 AM
Please respond to
ferdinand.ralleta

To: Robert Meyers <robert.meyers@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Bobbie Mickens <bobbie.mickens@fms.treas.gov>, Janice Bowers <janice.bowers@fms.treas.gov>, Darlene Craig <darlene.craig@fms.treas.gov>, Jerome Verdusco

cc:

Subject: Status of your PRF

The US Treasury (FMS) has received a payment request of type SSI MONTHLY for the Social Security Administration.

On 10/9/07 at 5:00:58 PM UTC the validation process accepted with errors the requests.

PRF DETAILS:
    1 files received, 50 items for a total of $22,082.38
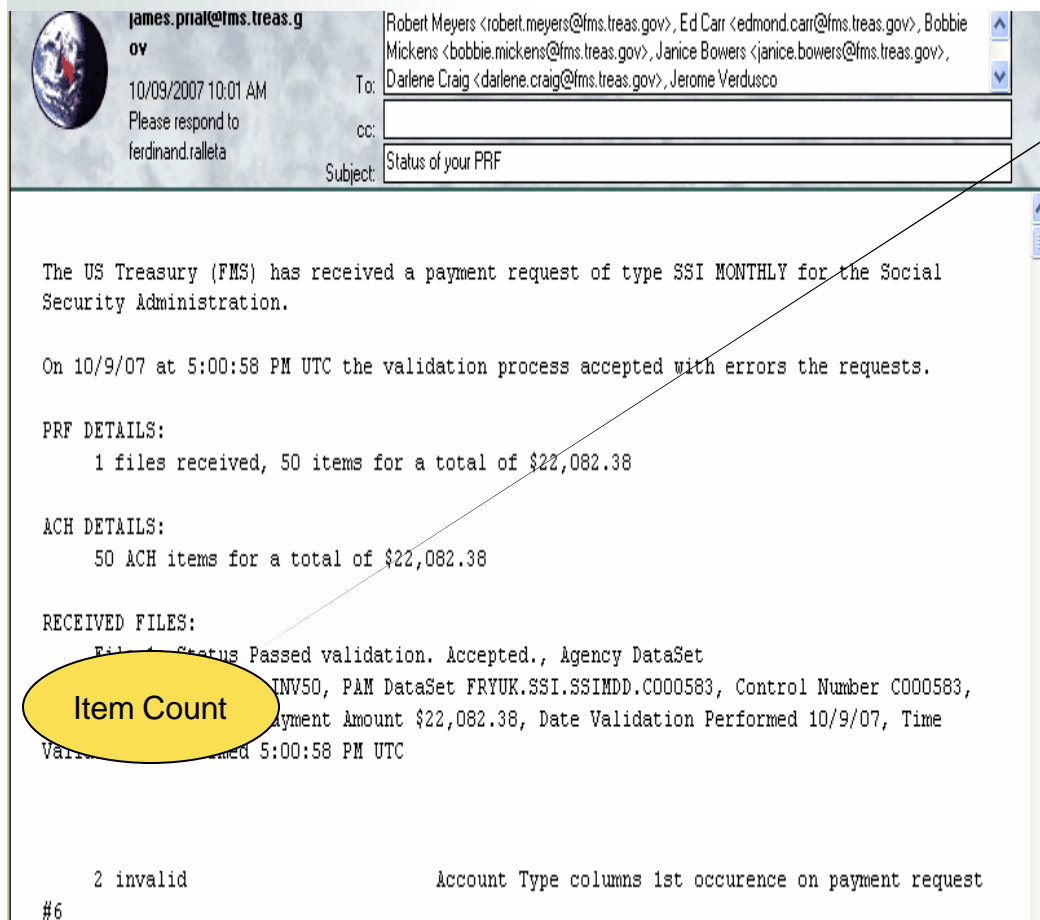
ACH DETAILS:
    50 ACH items for a total of $22,082.38

RECEIVED FILES:
    File 1: Status Passed validation. Accepted., Agency DataSet
FRYU5.SSI.SSIMDD.PAUL.INV50, PAM DataSet FRYUK.SSI.SSIMDD.C000583, Control Number C000583,
Item Count 50, Total Payment Amount $22,082.38, Date Validation Performed 10/9/07, Time
Validation Performed 5:00:58 PM UTC

    2 invalid   Account Type columns 1st occurence on payment request
#6

Office

PAM vs Legacy

- Differences between PAM and Legacy:
  - All validations will be conducted upfront
  - When you certify your payments, they will be processed immediately
  - Validation reports from PAM can be expected shortly after the time of receipt from interfacing reports
    - Time could vary depending upon internet speed

PAM and SPS

- Information received from PAM notifications will be used for SPS certifications
- This includes:
  - Agency DataSet
  - Control Number
  - Item Count
  - Total Payment Amount

PAM and SPS

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FRYU5.SSI.SSIMDD.PAUL.INV50, PAM DataSet FRYUK.SSI.SSIMDD.C000583, Control Number C000583, Item Count 50, Total Payment Amount $22,082.38, Date Validation Performed 10/9/07, Time Validation Performed 5:00:58 PM UTC

    2 invalid   Account Type columns 1st occurence on payment request
#6

Agency Dataset (label in highlighted ellipse)

Email header:
james.prial@fms.treas.gov
10/09/2007 10:01 AM
Please respond to ferdinand.ralleta
To: Robert Meyers <robert.meyers@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Bobbie Mickens <bobbie.mickens@fms.treas.gov>, Janice Bowers <janice.bowers@fms.treas.gov>, Darlene Craig <darlene.craig@fms.treas.gov>, Jerome Verdusco
cc:
Subject: Status of your PRF

- Agency Dataset
  - Not necessary for entry to SPS
  - It identifies the file for the agency
  - Agency will know what is being certified and what schedule number to use

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PAM and SPS

From: james.prial@fms.treas.gov
10/09/2007 10:01 AM
Please respond to ferdinand.ralleta

To: Robert Meyers <robert.meyers@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Bobbie Mickens <bobbie.mickens@fms.treas.gov>, Janice Bowers <janice.bowers@fms.treas.gov>, Darlene Craig <darlene.craig@fms.treas.gov>, Jerome Verdusco
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RECEIVED FILES:
    File 1: Status Passed validation. Accepted., Agency Dat...
FRYU5.SSI.SSIMDD.PAUL.INV50, PAM DataSet FRYUK.SSI.SSIMDD.CO... ...0583,
Item Count 50, Total Payment Amount $22,082.38, Date Validation ... ...7, Time
Validation Performed 5:00:58 PM UTC

    2 invalid   Account Type columns 1st occurence on payment request
#6

Control Number

- Control Number
  - Will be required for SPS entry
  - Relates directly to Control Number on SPS Certification

PAM and SPS

james.prial@fms.treas.g
ov

10/09/2007 10:01 AM

Please respond to
ferdinand.ralleta

To: Robert Meyers <robert.meyers@fms.treas.gov>, Ed Carr <edmond.carr@fms.treas.gov>, Bobbie
Mickens <bobbie.mickens@fms.treas.gov>, Janice Bowers <janice.bowers@fms.treas.gov>,
Darlene Craig <darlene.craig@fms.treas.gov>, Jerome Verdusco

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    _____INV50, PAM DataSet FRYUK.SSI.SSIMDD.C000583, Control Number C000583,
    _____ayment Amount $22,082.38, Date Validation Performed 10/9/07, Time
    Valid_____med 5:00:58 PM UTC

(Item Count)

    2 invalid   Account Type columns 1st occurence on payment request
#6

- Item Count
  - Will be included with the schedule number and account symbol entries
  - Can be associated with an account symbol

PAM and SPS

The US Treasury (FMS) has received a payment request of type SSI MONTHLY for the Social Security Administration.

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FRYU5.SSI.SSIMD...Set FRYUK.SSI.SSIMDD.C000583, Control Number C000583,
Item Count 50,...,082.38, Date Validation Performed 10/9/07, Time
Validation Perfo...

Total Payment Amount

    2 invalid   Account Type columns 1st occurence on payment request
#6

- Total Payment Amount
  - Will be included with the schedule number and account symbol entries
  - Can be associated with an account symbol

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PAM and SPS

PAM Website

- http://fms.treas.gov/pam/index.html
- Will contain information on
  - PAM Project Updates
  - PAM File Formats
    - Formats can be downloaded from the website
    - TAS / BETC information
  - Related websites
  - Frequently Asked Questions
    - Do I have to use the PAM File Format?
    - Who will be my RFC Contact after my agencies payments are processed by PAM?

PAM Website

▸ **Overview: PAM**

▸ **Common Questions**

▸ **Formats**

▸ **Related Resources**

▸ **Project News**

▸ **Contact**

Updates

Updated August 17, 2007

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Payment Application Modernization (PAM)

Overview

The Payment Application Modernization (PAM) Project is an effort to modernize the current mainframe-based software applications that are used to disburse approximately 1 billion federal payments annually. The existing payment system is a configuration of numerous software applications that generate check, wire transfer, and ACH payments for federal program agencies (FPAs), including Social Security, IRS, Veteran's Administration, as well as others.

The vision for the PAM initiative involves replacing 30+ COBOL and Assembler applications that have evolved over the last several decades, with a single standardized application. Because the basic functionality within all of the current applications is similar, a standardized system that is highly extensible and configurable is the desired end state. In addition to standardization, FMS is looking to

🌐 Internet

Any Questions?

Contact Information

- Jesse Chavez, FMS Program Analyst
  - 816-414-2108

- Lisa Ford, FRB Business Support Manager
  - 816-881-2045